

ASSEMBLY BILL

No. 1447

Introduced by Assembly Member John A. Perez

February 27, 2009

An act to amend Section 8547.2 of the Government Code, relating to the State Compensation Insurance Fund.

LEGISLATIVE COUNSEL'S DIGEST

AB 1447, as introduced, John A. Perez. State Compensation Insurance Fund: audits.

Under existing law, known as the California Whistleblower Protection Act, the State Auditor has the authority to investigate any report of improper governmental activity within a state agency. Existing law, for purposes of that provision, defines a state agency as every state office, officer, department, division, bureau, board, and commission. Under existing law, the State Compensation Insurance Fund is not subject to statutory provisions made applicable to state agencies unless the section specifically names the fund as an agency to which the provision applies.

This bill would specify that the State Compensation Insurance Fund is an agency over which the State Auditor has the authority to investigate reports of improper governmental activities, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 8547.2 of the Government Code is
- 2 amended to read:
- 3 8547.2. For the purposes of this article:

1 (a) “Employee” means any individual appointed by the Governor
2 or employed or holding office in a state agency as defined by
3 Section 11000, including, for purposes of Sections 8547.3 to
4 8547.7, inclusive, any employee of the California State University
5 *or the State Compensation Insurance Fund*.

6 (b) “Improper governmental activity” means any activity by a
7 state agency or by an employee that is undertaken in the
8 performance of the employee’s official duties, whether or not that
9 action is within the scope of his or her employment, and that (1)
10 is in violation of any state or federal law or regulation, including,
11 but not limited to, corruption, malfeasance, bribery, theft of
12 government property, fraudulent claims, fraud, coercion,
13 conversion, malicious prosecution, misuse of government property,
14 or willful omission to perform duty, or (2) is economically
15 wasteful, or involves gross misconduct, incompetency, or
16 inefficiency. For purposes of Sections 8547.4, 8547.5, 8547.10,
17 and 8547.11, “improper governmental activity” includes any
18 activity by the University of California or by an employee,
19 including an officer or faculty member, who otherwise meets the
20 criteria of this subdivision.

21 (c) “Person” means any individual, corporation, trust,
22 association, any state or local government, or any agency or
23 instrumentality of any of the foregoing.

24 (d) “Protected disclosure” means any good faith communication
25 that discloses or demonstrates an intention to disclose information
26 that may evidence (1) an improper governmental activity or (2)
27 any condition that may significantly threaten the health or safety
28 of employees or the public if the disclosure or intention to disclose
29 was made for the purpose of remedying that condition.

30 (e) “Illegal order” means any directive to violate or assist in
31 violating a federal, state, or local law, rule, or regulation or any
32 order to work or cause others to work in conditions outside of their
33 line of duty that would unreasonably threaten the health or safety
34 of employees or the public.

35 (f) “State agency” is defined by Section 11000. “State agency”
36 includes the University of California for purposes of Sections
37 8547.5 to 8547.7, inclusive, and the California State University

- 1 *and State Compensation Insurance Fund* for purposes of Sections
- 2 8547.3 to 8547.7, inclusive.

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